Michael R. Heimbold (SBN 173981) (mheimbold@steptoe.com) Dylan Ruga (SBN 235969) (druga@steptoe.com) STEPTOE & JOHNSON LLP 2121 Avenue of the Stars, Suite 2800 Los Angeles, CA 90067-5052 Telephone: (310) 734-3200 Facsimile: (310) 734-3300 3 4 5 6 Attorneys for Defendants, 7 YA-YA BRAND INCORPORATED, BLUEFLY, INC.; BOP, LLC; SAKS INCORPORATED; and RON 8 HERMAN, INC. 9 UNITED STATES DISTRICT COURT 10 CENTRAL DISTRICT OF CALIFORNIA 11 12 Case No. CV 06-06297 PLA TEXTILE SECRETS 13 INTERNATIONAL, INC. 14 STIPULATION RE PLAINTIFF'S ACTUAL DAMAGES; [PROFUSED] ORDER THEREON Plaintiff, 15 VS. 16 YA-YA BRAND INCORPORATED; 17 BLUEFLY, INC.; BOP, LLC; SAKS 18 INCORPORATED: RON HERMAN, INC.; and DOES 1 through 10, 19 inclusive, 20 Defendants. 21 22 23 TO THE HONORABLE COURT: 24 25 26 27 28

This stipulation is made between plaintiff Textile Secrets International, Inc. ("TSI"), on the one hand, and defendants Ya-Ya Brand Incorporated, Bluefly, Inc., BOP, LLC, Saks Incorporated, and Ron Herman, Inc. (collectively, "Defendants"), on the other hand, through their respective attorneys of record, with reference to the following facts:

WHEREAS, TSI has filed a lawsuit against Defendants for copyright infringement, contributory copyright infringement, and violation of 17 U.S.C. § 1202(b) (the "Lawsuit");

WHEREAS, the Lawsuit contains a prayer for TSI's damages as a result of the acts alleged;

WHEREAS, Defendants have issued subpoenas to Elias Aziz-Levi, CPA and Continental Business Credit, Inc. in order to, among other things, gather evidence related to TSI's alleged actual damages (the "Subpoenas");

WHEREAS, TSI has offered to waive its ability to recover its alleged actual damages (including, but not limited to, any alleged lost profits or lost sales, allegedly suffered by TSI as a result of the alleged infringement set forth in the Lawsuit (the "Actual Damages")) if Defendants withdraw the Subpoenas; and

WHEREAS, Defendants agree to withdraw the Subpoenas if TSI waives its right to recover its Actual Damages.

BASED UPON THE FOREGOING, THE PARTIES HEREBY STIPULATE AS FOLLOWS:

- 1. Upon execution of this Stipulation, Defendants will withdraw the subpoenas served on Elias Aziz-Levi, CPA and Continental Business Credit, Inc.;
- 2. Upon withdrawal of the Subpoenas, TSI agrees to waive any and all rights, arguments, and claims to recover its alleged Actual Damages in the Lawsuit;

[PROPOSED] ORDER Based upon the stipulation of the parties, TSI may not: (1) recover its alleged Actual Damages in the Lawsuit, (2) introduce any testimony at trial from either Elias Aziz-Levi, CPA or Continental Business Credit, Inc, and (3) introduce any documents at trial that evidence, reflect or refer to TSI's finances that have not: (a) already been produced by TSI or are (b) not specifically identified in TSI's initial disclosures. IT IS SO ORDERED: **DATE** UNITED STATES MAGISTRATE JUDGE

se 2:06-cv-06297-PLA Document 71 Filed 11/07/07 Page 6 of 6 Page ID #:101 **SERVICE LIST** Douglas A. Linde, Esq. Erica Allen, Esq. The Linde Law Firm 9000 Sunset Blvd., Suite 1025 Los Angeles, CA 90069 E-mail: dal@lindelaw.net Tel: 310-203-9333 Fax: 310-203-9233 PROOF OF SERVICE